

Millennium Challenge Corporation

Reducing Poverty Through Growth



COUNTRY : ARMENIA
STATUS : COMPACT SIGNED

LAST UPDATE : AUGUST 2006

GENERAL INFORMATION

Population	3,026,089*
GNI Per Capita	\$1,470*
Location	Southwestern Asia, east of Turkey
Total Compact Amount	\$235.65 Million
Compact Duration	5 Years

VARTAN OSKANIAN

Armenian Foreign Minister

"The significance and essence of the Millennium Challenge program is to support those countries which demonstrate good governance, and unwavering commitment to invest in human resources and in the principles of democracy and a liberal economy. Nevertheless, we are very aware that the decision of the Millennium Challenge Corporation is not irreversible, and we have much to do to assure our continuous and complete inclusion in that program."

COMPACT GOAL

The reduction of rural poverty through a sustainable increase in the economic performance of the agricultural sector through a five-year program of strategic investments in rural roads and irrigated agriculture.

EXPECTED RESULTS

Rural Road Rehabilitation Project: Upgrade up to 943 km, providing 265 communities and 360,000 rural residents with reduced transport costs and better access to jobs, markets and social services

Irrigated Agriculture Project: Increase the productivity of 250,000 farmer households (34% of which are headed by women) through improved water supply, higher yields, higher-value crops and a more competitive agricultural sector by:

- Infrastructure Activity: Irrigation civil works
- Water-to-Market Activity: Assistance to farmers

UPDATE ON PROGRESS

On May 24, 2006, the Government of Armenia's National Assembly ratified the Compact. On July 12, 2006, the MCA-Armenia Governing Council met for the first time and proceeded to select the MCA-Armenia Chief Executive Officer from a list of finalists.

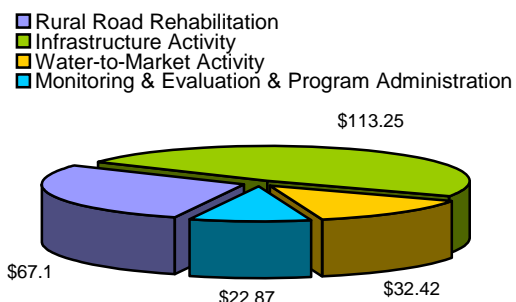
COMPACT PROCESS

DATE

Eligibility Notification	<input checked="" type="checkbox"/>	May 6, 2004
Proposal Receipt	<input checked="" type="checkbox"/>	March 28, 2005
Opportunity Memo	<input checked="" type="checkbox"/>	May 19, 2005
Congressional Notification on Formal Negotiations	<input checked="" type="checkbox"/>	August 22, 2005
Investment Memo	<input checked="" type="checkbox"/>	November 17, 2005
Board Approval	<input checked="" type="checkbox"/>	December 16, 2005
Compact Signing	<input checked="" type="checkbox"/>	March 27, 2006
Entry into Force		
Initial Disbursement		

OBLIGATIONS BY KEY SECTORS

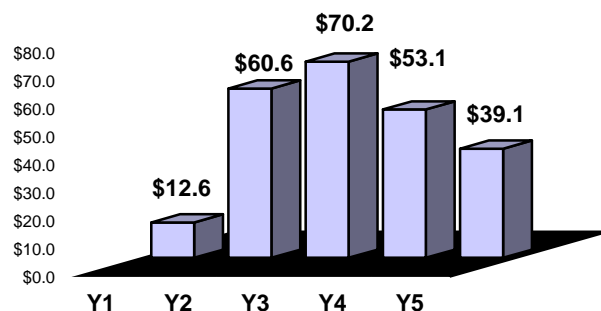
(IN MILLIONS)



ARMENIA DISBURSEMENT SCHEDULE

(IN MILLIONS)

Projected Total Annual Disbursement



*World Development Indicators, World Bank, 2005